



# CITY COUNCIL

## AGENDA REQUEST

<b>AGENDA OF:</b>	<b>11-19-13</b>	<b>AGENDA REQUEST NO:</b>	<b>IV-A</b>
<b>INITIATED BY:</b>	<b>JENNIFER BROWN DIRECTOR OF BUDGET &amp; RESEARCH</b>	<b>RESPONSIBLE DEPARTMENT:</b>	<b>BUDGET &amp; RESEARCH</b> <i>Mw6</i>
<b>PRESENTED BY:</b>	<b>JENNIFER BROWN DIRECTOR OF BUDGET &amp; RESEARCH</b>	<b>DIRECTOR:</b>	<b>JENNIFER BROWN</b> <i>JB</i>
		<b>ADDITIONAL DIRECTOR (S):</b>	<b>N/A</b>
<b>SUBJECT / PROCEEDING:</b>	<b>2013 CERTIFICATES OF OBLIGATION CONSIDERATION OF ORDINANCE NO. 1938 AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TX COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2013</b>		
<b>EXHIBITS:</b>	<a href="#"><u>PRELIMINARY OFFICIAL STATEMENT ORDINANCE NO. 1938</u></a>		
<b>CLEARANCES</b>		<b>APPROVAL</b>	
<b>LEGAL:</b>	<b>ORDINANCE PREPARED BY ANDREWS &amp; KURTH, LLP</b> <i>AK</i>	<b>EXECUTIVE DIRECTOR:</b>	<b>MIKE GOODRUM</b> <i>Mw6</i>
<b>PURCHASING:</b>	<b>N/A</b>	<b>ASSISTANT CITY MANAGER:</b>	<b>N/A</b>
<b>BUDGET:</b>	<b>JENNIFER BROWN</b> <i>JB</i>	<b>CITY MANAGER:</b>	<b>ALLEN BOGARD</b> <i>Allen Bogard</i>
<b>BUDGET</b>			
<b>EXPENDITURE REQUIRED: \$</b>		<b>N/A</b>	
<b>CURRENT BUDGET: \$</b>		<b>N/A</b>	
<b>ADDITIONAL FUNDING: \$</b>		<b>N/A</b>	
<b>RECOMMENDED ACTION</b>			
Consideration and approval of Ordinance No. 1938 authorizing the issuance of \$25,170,000 in City of Sugar Land, TX Combination Tax and Revenue Certificates of Obligation, Series 2013.			

## EXECUTIVE SUMMARY

Each year, as part of the annual budget process, the City Council approves a Five Year Capital Improvement Program with the first year included in the annual budget. Funding sources for projects include pay-as-you-go funding from various sources, such as utility revenues and sales tax, grants, and the issuance of debt. The FY13 & FY14 CIP's include \$25,038,000 in projects funded from Certificates of Obligation.

In May 2013 the City Council approved resolution 13-19 stating the City's intent to reimburse up to \$8.86 million in expenditures from future bond proceeds. This issue reimburses the City for expenditures made under that resolution, along with funding additional projects that were not ready to move forward at that time.

Projects funded from the proceeds of the 2013 Certificates are listed below:

Project	Amount
Runway Rehab/Repairs	225,000
Parallel Taxiway Relocation	500,000
Sugar Creek Drainage Improvements - Phase II	3,200,000
Ragus Lakes Drainage	4,450,000
Covington Woods Drainage Improvements	250,000
Dam Structure Improvements	275,000
License Plate Recognition System	1,000,000
PARD Demolition & Relocation to Admin Annex	550,000
Public Works Service Center	4,275,000
Town Center Pedestrian and Bicycle	1,030,000
Meadowcroft Blvd	3,000,000
University Boulevard North Bridge	750,000
Bridge Rehabilitation	250,000
Street Reconstruction	1,500,000
Pavement Rehabilitation	1,700,000
SH6 Improvements-Brooks to Lexington	610,000
Dairy Ashford Widening Improvements	338,000
Traffic Signal Management / ITS	200,000
Government/Community & Destination Signage	585,000
Wayside Horn Improvements & Relocation	350,000
Deposit to Construction	25,038,000
Issuance Costs	132,000
Total Certificates Issued	25,170,000

City staff participated in ratings calls with Fitch Ratings on Oct 31st and Standard & Poor's on Nov 4th. Both agencies affirmed their ratings of **AAA** on the 2013 Certificates and all outstanding tax backed debt. This is the highest rating available and reflects the agencies' confidence in the City's financial stability and management.

The Series 2013 Certificates of Obligation are scheduled to be competitively bid at 1:00pm on November 19, 2013. The City's Financial Advisors will be at the City Council meeting to present the results of the sale and ask City Council to approve the Ordinance authorizing the bond sale. After approval, the bonds are expected to close with funds deposited to the City's accounts on December 17, 2013.

## EXHIBITS